



Next FOF dates:

16th February 2023

16th March 2023

*Biscuits*

*Chocolates &  
confectionaries*

*Chips & Nachos*

*Ice Creams*

**Namkeen**

**Ready to eat foods**

**Energy & Protein Bars**



BIKAJI



BRITANNIA

Mondelez International

PARLE



Haldiram's





# Snacking continues to grow

It's everywhere

**86%**

of people around the world snack daily<sup>1</sup>

**+8PP VS. 2013**

It's growing

**3.3**

average number of snacks per day for daily snackers<sup>1</sup>

**+0.2 VS. 2013**

It's permissible

**88%**

believe a balanced diet can include a little indulgence<sup>2</sup>

**+7PP VS. 2020**

It's here to stay

**+15%**

Snacking occasions per day: Gen Z & Millennials vs other cohorts<sup>3</sup>

1. How the World snacks. Mondelez International & Ipsos.
2. State of Snacking, 2021, Mondelez International & The Harris Poll.
3. Demand Spaces, Mondelez International in 24 countries.

# Evolution of snacking

- Definition of what a snack is has evolved over the last 3 years
- Includes more or different types of foods as well as occasions for eating
- Gen Z (1996-2010) - relieve anxiety and boredom
- Millennials (1981-1996) - to meet their nutritional needs
- Gen X (1965-1980) - Comfort
- More consumers are preferring many small meals throughout the day as opposed to few large ones
- Preference towards balanced diet with little bit of indulgence

# Snacking Trends

- Snacks as meals
- Snacks have become “mood food”
- Consumers demand global flavors with a local twist
- Plant based snacks continue to grow at a healthy pace
- Newer snack brands go the DTC route
- Channel expansion a key
- Mindful snacking (portion control)
- Rare categories where private labels are losing market share

# Companies following consumer's needs

## ALIGNING OUR PORTFOLIO TO CONTEMPORARY WELL-BEING NEEDS

### PERMISSIBLE INDULGENCE

- Dark chocolate
- Permissible inclusions
- Portion control



### BETTER FOR YOU

- Reduced sugar
- Gluten free



### AUTHENTIC, NATURAL & SIMPLE

- All natural
- Locally sourced
- Organic



### FUNCTIONAL NUTRITION

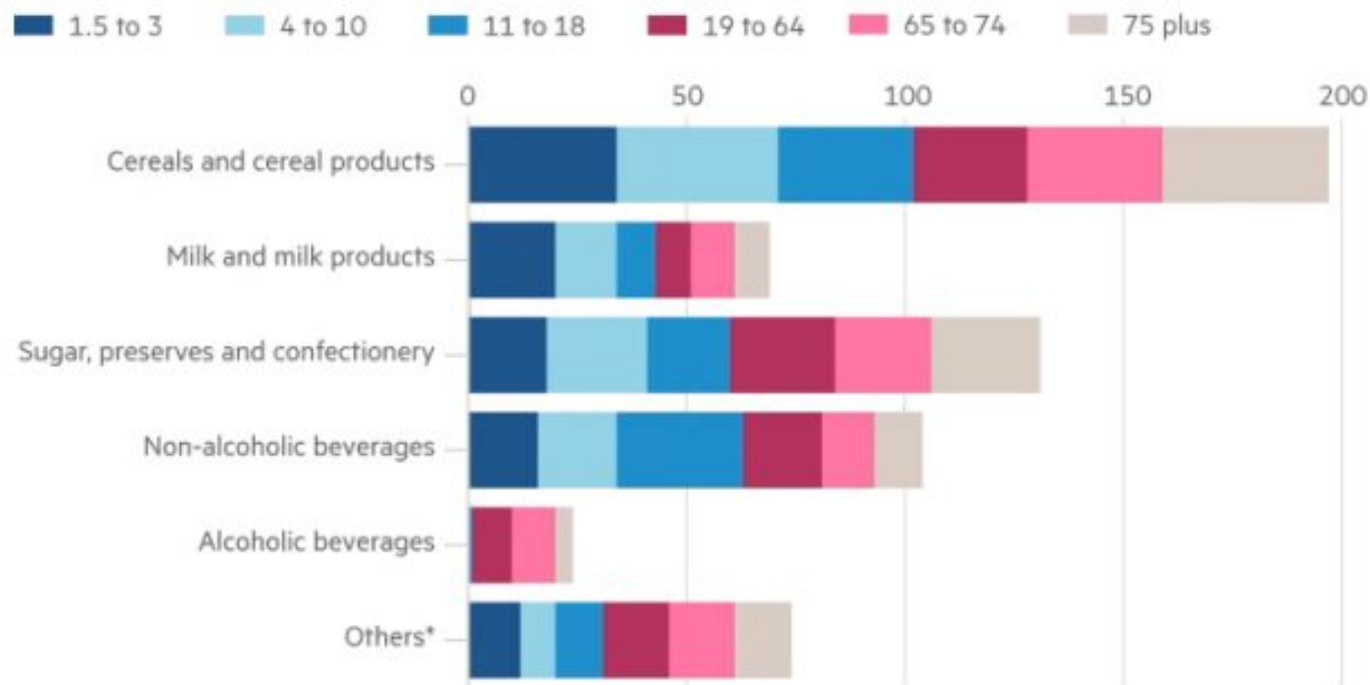
- Protein / energy
- Superfood
- Functional fortified





## Dietary sources of free sugars

By age and contribution to free sugars intake (%)







\* Includes vegetables, meat and meat products

Source: National Diet and Nutrition Survey

© FT

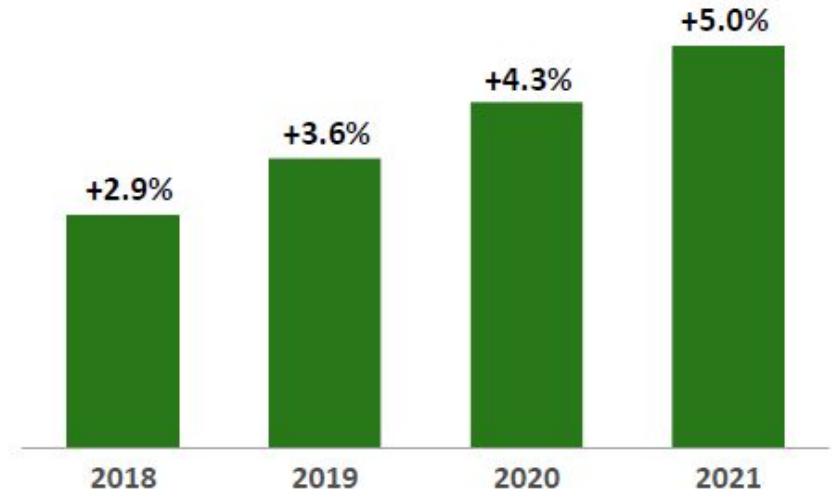
# Global Snacking market size & growth

Strong positions in snacks categories<sup>1</sup>,  
significant headroom

Global Position	Market Share	Market Size
Biscuits #1	 17%	\$104B
Chocolate #2	 12%	\$112B
Candy #3	 5%	\$61B
Gum #2	 22%	\$17B

Growth of snacks categories  
has accelerated

Growth of snacks categories in  
key markets with MDLZ presence<sup>2</sup>

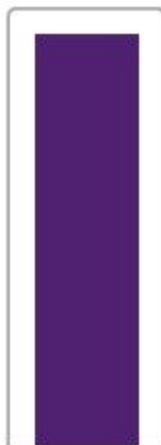


## Top 10 global biscuits manufacturers

\$104B RSV category

Global Market Share

18%  
16%  
14%  
12%  
10%  
8%  
6%  
4%  
2%  
0%



Mondelez International

Campbell's

Kellogg's

pladis

FERRERO

PEPSICO

BRITANNIA

PARLE

Barilla

Nestlé

L3Y CAGR RSV growth

+5.2%

+1.9%

-7.7%<sup>1</sup>

+4.8%

+55.9%<sup>1</sup>

+4.2%

+8.6%

+6.2%

+3.1%

+1.7%

inc. Keebler sale

inc. Keebler acquisition

L3Y cumul. share Δ

+0.3pp

-0.1pp

-0.1pp

+0.1pp

+0.3pp

-

+0.2pp

+0.1pp

-

-0.1pp

## Top 10 global chocolate manufacturers

\$112B RSV category

Global Market Share



# Indian Packaged food market size & growth

Packaged food market, India, ₹ Billion, 2015-2026



Source: Retailers association, Frost & Sullivan Analysis

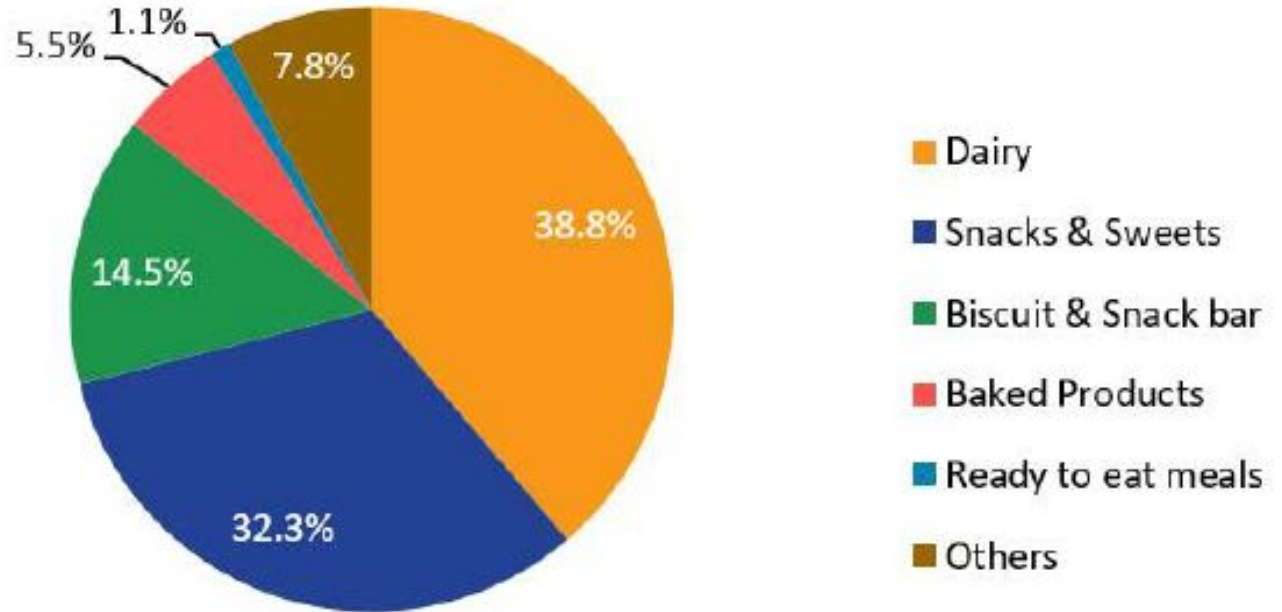


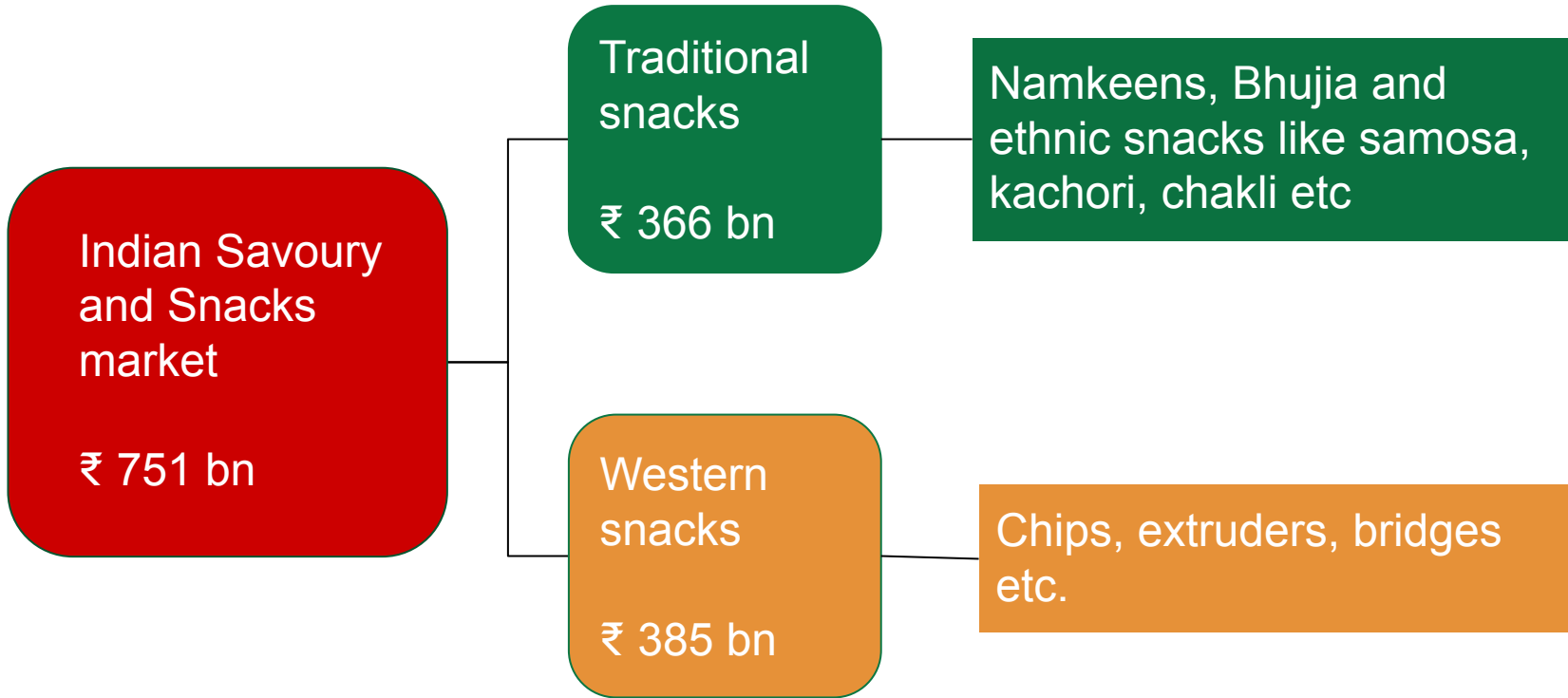
# Growth drivers

- Changing demographics - younger population
- Changing lifestyle - Working women, nuclear families, exposure to global culture, fast paced lifestyle
- Rapid urbanisation - Urban accounts for 78% of the snacks market
- Economic growth - improving prosperity
- Health and wellness - healthier options
- Improved packaging and quality
- E-retailing - growth of quick commerce, home delivery by supermarkets

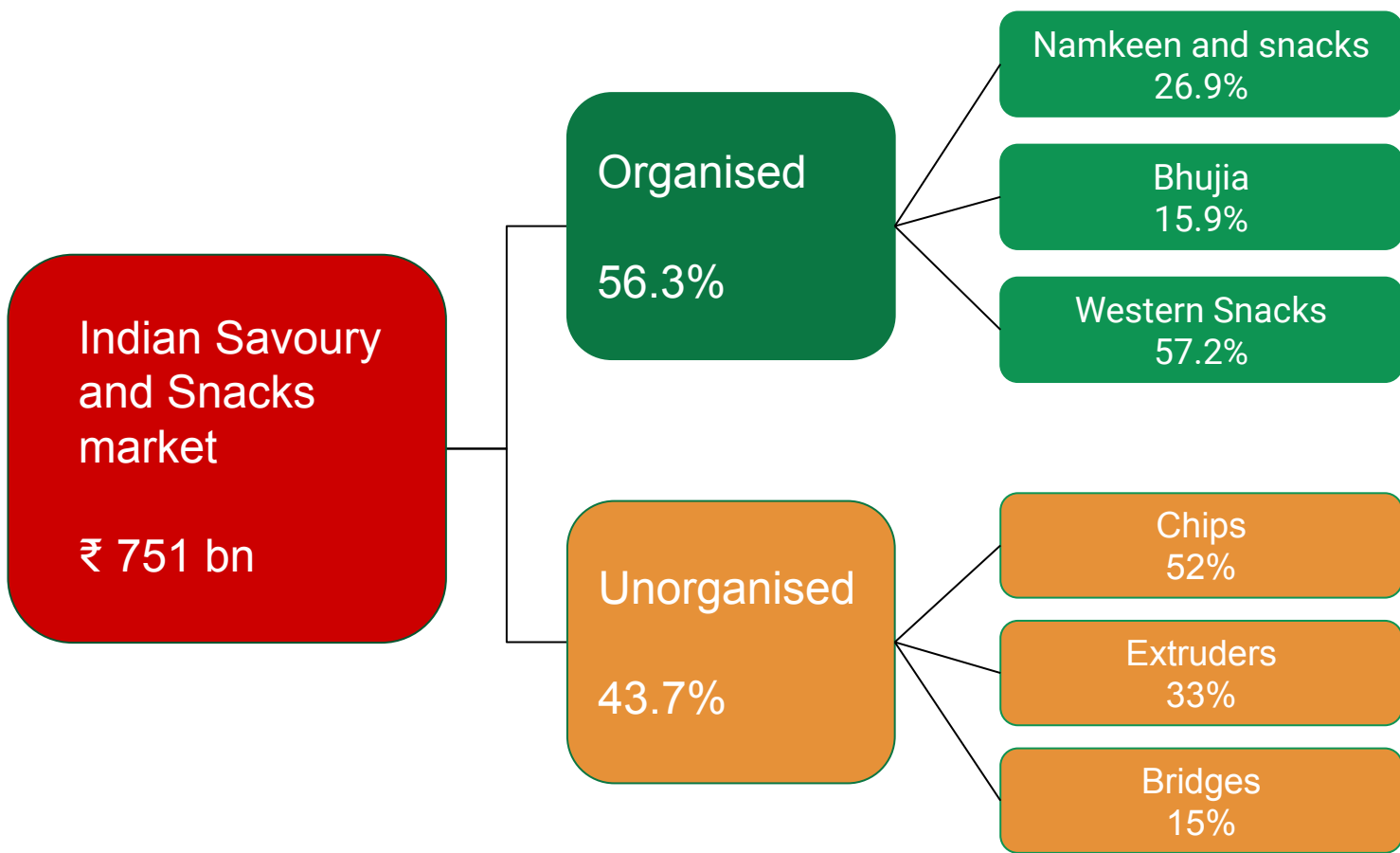
# Category wise size of the industry

Category wise packaged food retail market, India, 2022: ₹ 4.24 Trillion





Source: Frost & Surveillance analysis (F&S Report)



Source: Frost & Surveillance analysis (F&S Report)

# Trends - specific to India

- Shift from unorganised to organised
- Shift from western to traditional
- Sale of products which were not previously sold as packaged items (eg Bhakarwadi, Bhel puri by Haldiram's, Aam Panna by Paperboat, Coconut water, etc)
- Focus on safety and hygiene
- Shift towards healthier options
- Large number of SKU's



## Large no of SKU's (eg Bikaji Foods)

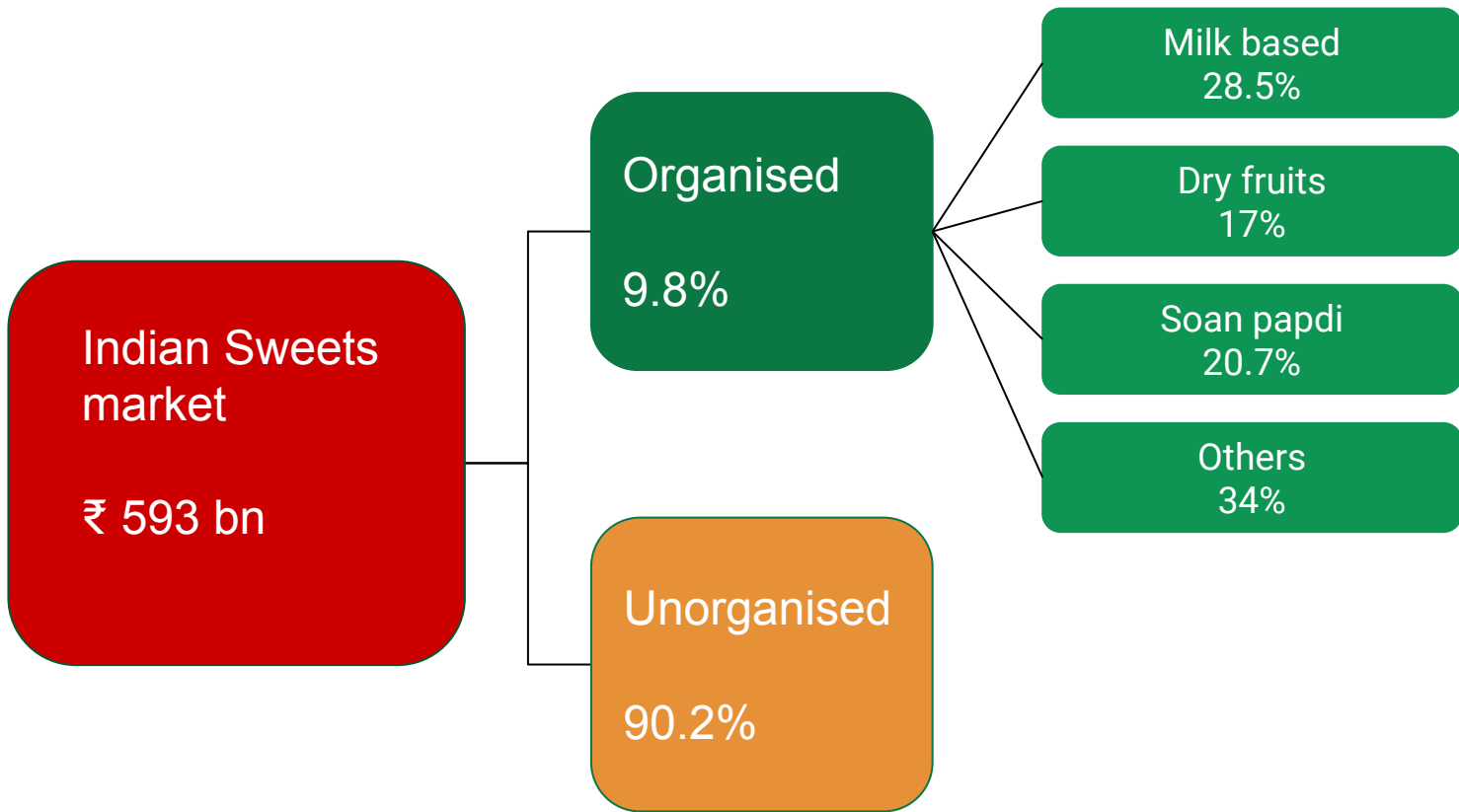
Product Type	Number of Products <sup>(1)</sup>
Bhujia	14
Namkeen	66
Packaged sweets	43
Papad	8
Western snacks <sup>(2)</sup>	32
Other snacks <sup>(3)</sup>	144
<b>Total</b>	<b>307</b>

(1) SKUs may vary for different product flavours / variants.

(2) Western snacks include extruded products, pellets and chips.

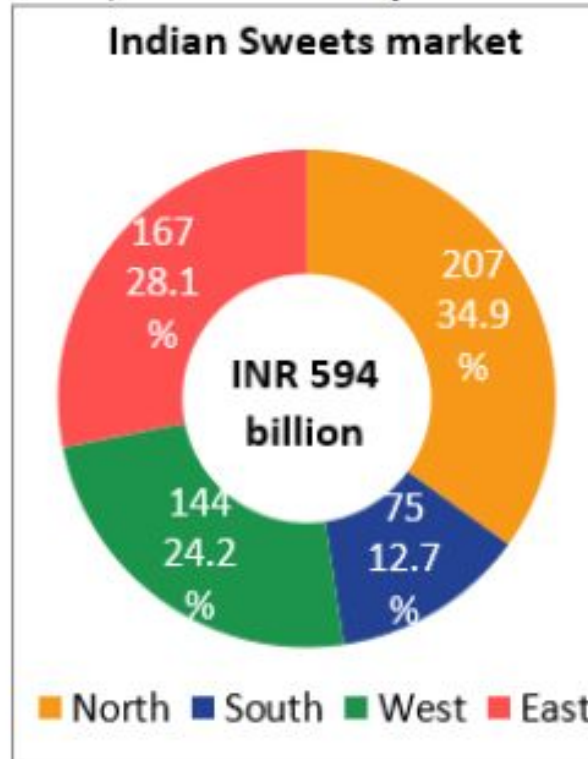
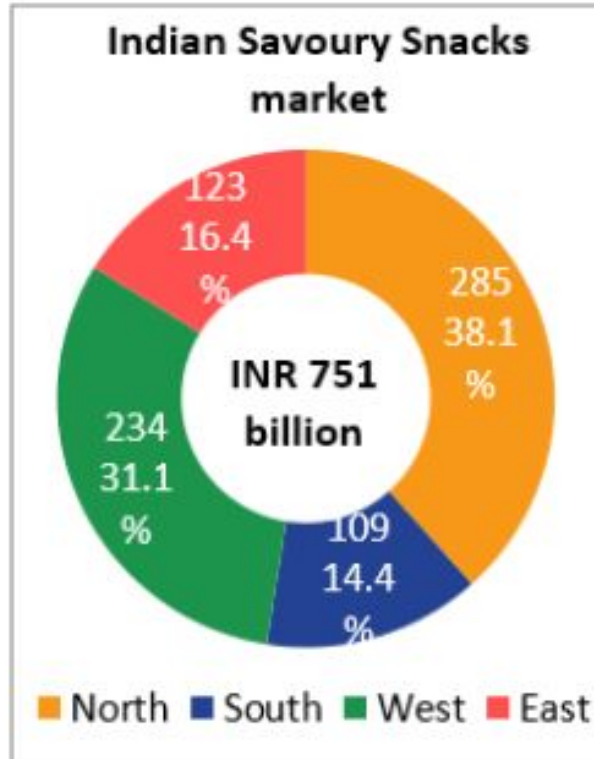
(3) Other snacks include gift packs (assortment), frozen food, mathri range and cookies.

Source: Bikaji Foods International DRHP



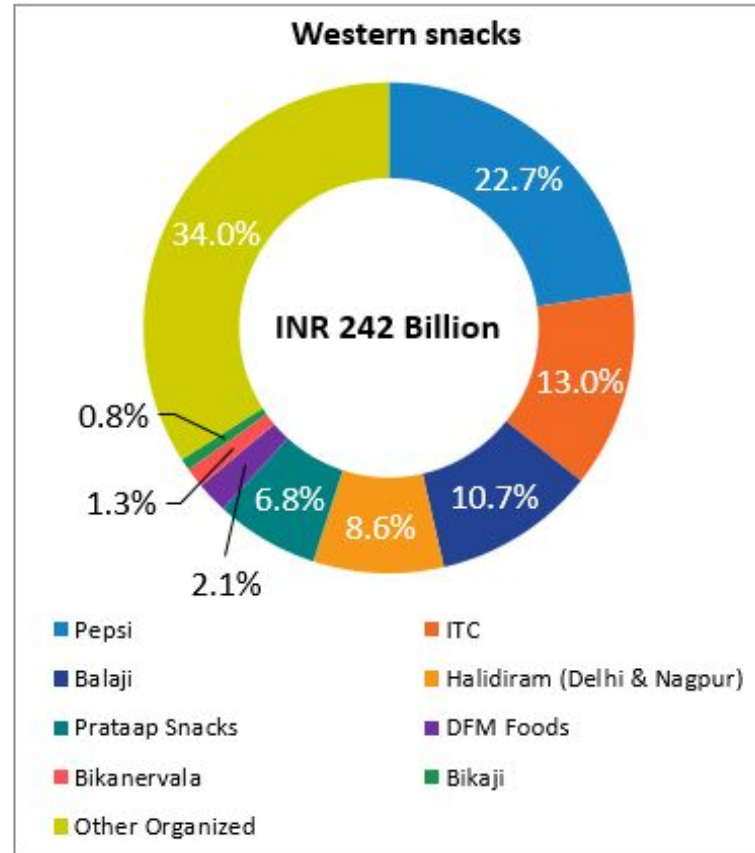
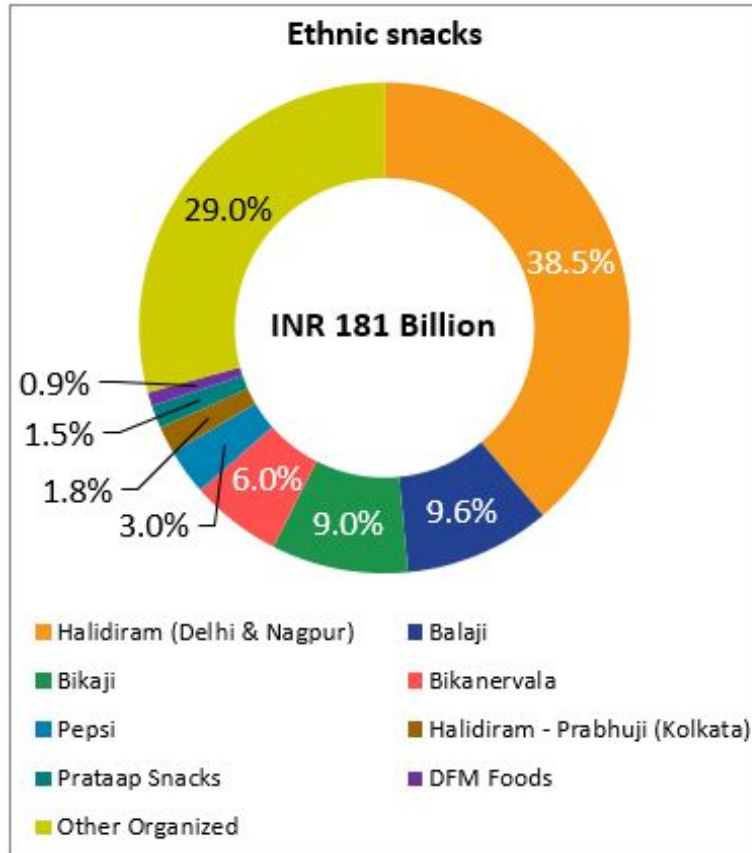
Source: Frost & Surveillance analysis (F&S Report)

# Geography wise size of the industry



Source: Frost & Sullivan Analysis

# Market share of organised players



Source: Frost & Surveillance analysis (F&S Report)

Brand	Company	2019	2020	2021	2022
Haldiram's	Haldiram Foods	9.9	10.1	10.6	10.8
Balaji	Balaji Wafers	6.7	7.5	7.5	7.3
Bingo!	ITC	6.5	6.4	6.1	6
Parle	Parle Products	4.9	5.1	5	5
Bikaji	Bikaji International	2.6	2.8	3	3
Yellow Diamond	Prataap Snacks	4.1	3.3	3	2.9
Lays	Pepsico	3.7	3.2	2.9	2.7
Bikano	Bikanervalva Foods	2.6	2.6	2.5	2.5
Kurkure	Pepsico	2.6	2.3	2.1	1.9
Taka Tak	Haldiram Foods	1.7	1.8	1.9	1.9
Britannia	Britannia Industries	1.7	1.8	1.7	1.8
Crax	DFM Foods	1.7	1.7	1.6	1.6
Others		51.3	51.4	52.1	52.6

Source: Euromonitor Aug 22



Brand	Company	2019	2020	2021	2022
Parle	Parle Products	11.1	12.4	12.2	11.6
Britannia	Britannia Industries	9.8	10.8	10.5	10.3
Sunfeast	ITC	3.5	4.1	4.4	4.4
Haldiram's	Haldiram Foods	3.3	3.6	3.8	3.7
Dairy Milk	Mondelez	3.1	3.1	3.3	3.5
Balaji	Balaji Wafers	2.2	2.7	2.7	2.6
Bingo	ITC	2.2	2.3	2.2	2.1
Amul	GCMMF	2.6	1.3	1.3	1.6
Anmol	Anmol Biscuits	1.3	1.4	1.4	1.5
Bisk Farm	Saj Industries	1.1	1.2	1.2	1.1
Bikaji	Bikaji International	0.9	1.0	1.1	1.1
Yellow Diamond	Prataap Snacks	1.4	1.2	1.1	1.0
Lays	Pepsico	1.2	1.1	1.0	0.9
Kinder Joy	Ferrero India	0.9	0.8	0.8	0.8
Candyman	ITC	0.9	0.9	0.8	0.8

# Confectionaries

- Premium chocolate confectionary is gaining traction
- Consumers are becoming more portion conscious
- Dark chocolate is seeing rapid consumer acceptance - owing to reduced sugar content and other health benefits
- Many new players such as Wellversed under its brand Ketofy, as well as Zevic, Bogatchi, Ditch The Guilt and Mojo Thins, alongside many other brands have entered the market
- New players are gaining traction on E-commerce

# Confectionery - market share

Company	2018	2019	2020	2021	2022
Mondelez India	54.0	52.5	53.3	54.7	57.4
Nestle India	13.4	13.7	14.6	15.7	16.1
Ferrero India	9.7	9.5	9.3	8.8	8.4
Mars Int India	3.0	3.1	2.6	2.5	2.5
Global Consumers Products (Luvit)	1.1	1.3	1.4	1.3	1.2
Hershey India	1.2	1.2	1.2	1.2	1.2
Amul (GCMMF)	1.1	1.2	1.2	1.2	1.1
Lindt	0.2	0.3	0.3	0.3	0.3
Buttercup	0.2	0.2	0.2	0.2	0.2
Others	16.1	17.0	15.9	14.1	11.6

# Ice Creams

- Category took a hard hit in Covid
- Market leader Amul is doubling its capacity in the next couple of years
- Demand for healthier ice cream variants is on the rise
- Products which have claims or positioning such as natural, free from artificial additives, reduced or no sugar are increasingly gaining popularity
- Unit prices of these healthier options are twice of the regular variants, or even higher in some cases

# Ice Creams - market share

Company	2018	2019	2020	2021	2022
Amul (GCMMF)	17.9	17.7	14.9	15.3	16.3
HUL	9.4	9.1	10.2	10.3	11.0
Devyani Foods	5.2	4.6	5.9	5.9	6.1
Hatsun Agro	5.4	5.5	5.4	5.4	5.8
Vadilal Industries	4.9	4.6	4.0	4.0	4.7
Mother Dairy	5.1	5.0	4.2	4.3	4.5
Havmor	3.8	4.0	4.0	4.0	4.3
Dairy Day	2.0	2.0	2.4	2.3	2.3
Punjab Co-op (Verka)	0.7	0.7	0.7	0.8	0.8
Others	45.6	46.8	48.3	47.7	44.2

Source: Euromonitor Aug 22



# Biscuits

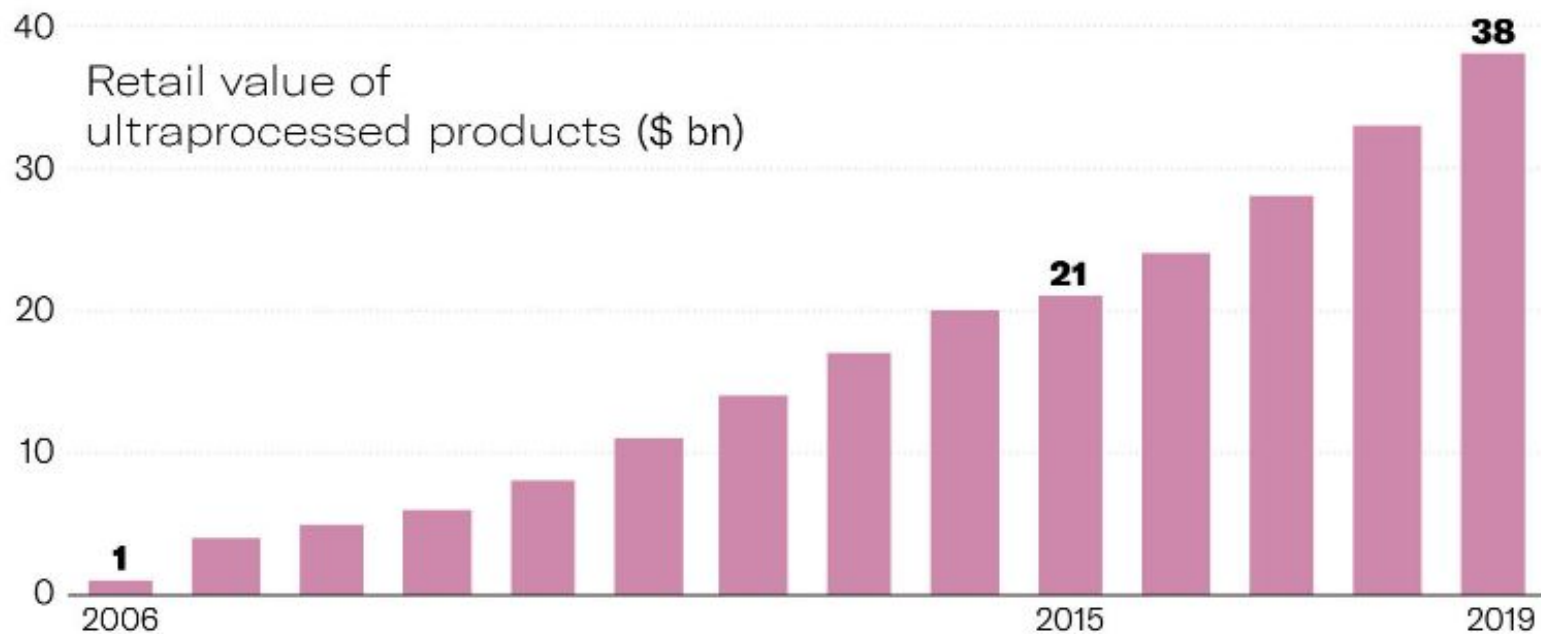
- Consistent premiumisation within the category
- Consumers moving from plain biscuits to cookies, filled biscuits and wafer biscuits
- Biscuit companies entering into adjacencies to become a foods company
- Parle very strong in the entry category
- ITC focused on the premium category
- Britannia got a very big void in between to grow and premiumise

# Biscuits - market share

Company	2018	2019	2020	2021	2022
Britannia Industries	28.2	27.7	27.7	27.2	27.3
Parle Products	27.2	26.1	26.3	26.4	25.4
ITC	10.4	10.3	11.0	11.9	12.2
Anmol Biscuits	3.0	3.0	2.9	3.0	3.1
Mondelez India	1.6	1.7	1.8	1.9	2.2
Bisk Farm	1.7	1.8	1.8	1.7	1.7
Unibic Foods	1.1	1.3	1.4	1.4	1.4
Others	26.8	28.1	27.1	26.5	26.7

# Unhealthy indulgence

The retail value of ultra-processed products  
in India grew 38X in 14 years



Source: The Ken Article

Source: Euromonitor Passport International



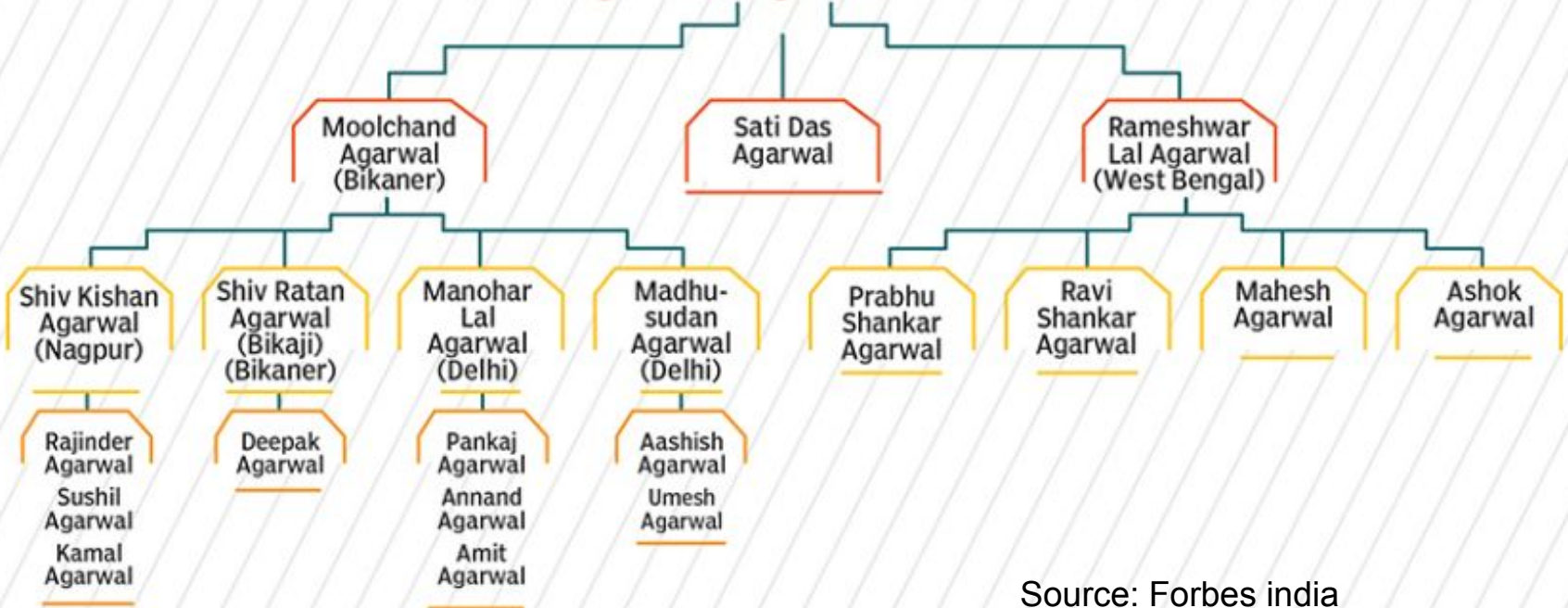
Companies

# Territorial Division

Head of the family Ganga Bhishen allotted each segment of his family specific territories to do business in



**Ganga Bhishen Agarwal (Haldiram)**



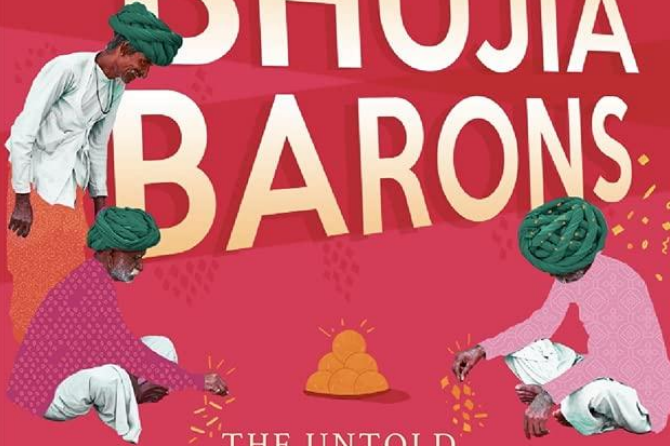
Source: Forbes india





'This business story is like a television saga, full of drama, and interesting subplots one can see in a family-run business'  
*Financial Express*

# BHUJIA BARONS



THE UNTOLD  
STORY OF HOW

## HALDIRAM

BUILT A ₹5000-CRORE EMPIRE

PAVITRA KUMAR

- How they converted a product with one week shelf life and converted it into six months
- How packaging was a game changer
- Entering new territories
- Kolkata was the biggest business
- Delhi + Nagpur business merger followed by listing

# Balaji Wafers

- Approx 3000 crs in revenues
- Very strong in West India (Maharashtra, Gujarat, Rajasthan and MP)
- Entered new categories like Instant noodles, wafer biscuits, protein bars
- Trying to become a national player
- Rejected offer from Pepsico, private equity players and dropped IPO plans



**SUPERFACTORIES**

**BALAJI WAFERS**









# Bikaji Foods

- Approx Rs 1600 crs in revenues
- Largest manufacturer of Bikaneri Bhujia, 2nd largest manufacturer of Papad and 3rd largest player in organised sweets market
- Key markets - Rajasthan, Assam and Bihar

# Gopal Namkeen

- Approx Rs 1,300-1400 crs in revenues
- Leading brand in Gujarat (Based out of Rajkot)
- Recently one brother bought out the stake of the other brother at a valuation of Rs ~1,700 crs
- Preparing for IPO in next fiscal year

# Prataap Snacks

CATEGORIES	% of FY22 Revenue	PRODUCTS
 <b>Extruded Snacks</b>	58%	 Chulbule   Rings   Wheels   Pellets   Scoops   Puff   Stix
 <b>Potato Chips</b>	23%	 Chips   Chips   Chips   Chips   Chips   Chips
 <b>Namkeen</b>	16%	 Namkeen   Namkeen   Namkeen   Namkeen   Namkeen   Namkeen
 <b>Sweet Snacks</b>	3%	 Cookie -Cake   Center Filled Cup Cake   Choco Vanilla Cake   Tiffin Cake   Sandwich Cake   Swiss Roll

# Parle Products

- Approx Rs 16,200 crs in revenues
- Popular brands like Parle G, Monaco, Melody, Krack Jack, 20-20
- Largest packaged foods company by revenues
- 55-60% of the sales still comes from rural areas
- Entered into adjacent categories like rusk, cake, cereals

# ITC

## ITC to acquire Yoga Bar to expand presence in fast growing healthy foods space

car Mukherjee, ET Bureau • Last Updated: Jan 17, 2023, 10:03 PM IST



### Synopsis

The move will allow ITC to expand presence in the Rs 45,000 crore fast growing, nutrition-led healthy foods space. ITC said this deal is in line with its 'ITC Next' strategy articulated by chairman Sanjiv Puri that focuses on building a future-ready portfolio of products that serve evolving consumer needs



ETMarkets.com

[ITC Ltd](#) NSE 0.68 % on Tuesday announced it is going to acquire 100% in the makers of health-conscious brand [Yoga Bar](#), Sproutlife Foods Pvt Ltd, in an all-cash deal over the next 3-4 years. The conglomerate will pay Rs 255 crore for 47.5% stake in the company in multiple tranches by March 2025 and the balance will be acquired on the basis

of pre-defined valuation criteria, subject to other conditions agreed to in the binding documents, as per a stock market disclosure.

# Mondelez International

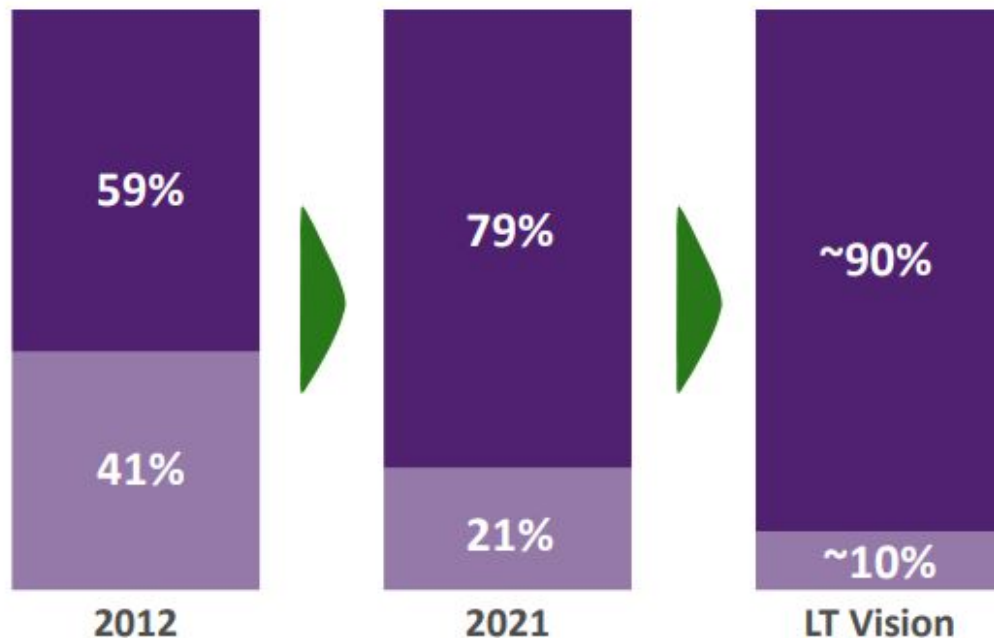
Net revenues by category

Chocolate  
& Biscuits

+5.8%  
L3Y CAGR

Other

-0.4%  
L3Y CAGR



# Portfolio Transformation into Three Companies

## "GLOBAL SNACKING CO."



**Higher-Growth  
Company**

Net Sales ~\$11.4 billion \*  
EBITDA ~\$2.0 billion \*

## "NORTH AMERICA CEREAL CO."



**Improve  
Profit Margins**

Net Sales ~\$2.4 billion \*  
EBITDA ~\$250 million \*

## "PLANT CO."



**Accelerate  
Growth**

Net Sales ~\$340 million \*  
EBITDA ~\$50 million \*

\* All net sales and adjusted-basis EBITDA figures are based on the Company's unaudited 2021 results derived from internal management reporting, further adjusted for splits by brands and markets, as well as preliminary cost and expense allocations, including corporate expenses; these figures will be refined prior to the transactions. Please refer to the reconciliations of adjusted-basis EBITDA, a non-GAAP financial measure, to reported operating profit in the press release for this announcement.





# Risks

- Product labelling - front of the pack warning labels with a star rating on all packaged foods is proposed
- Competition from smaller and unorganized players
- Intense competition from D2C brands
- Change in habits of the consumer

